

Information Technology Management Study  
HB 2 -- 56th Montana Legislature

Work Plan

Prepared by

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# Information Technology Management Study

## House Bill 2 – Background

HB 2, as passed by the 1999 legislature, requires an interim study of the governance and management of information technology (IT) in the state. The study was authorized to address legislative concerns regarding state agencies' investments in and expenditures for information technology hardware, software, and services. Language in HB 2 assigned the study to the Legislative Finance Committee (LFC).

HB 2 requires four specific outcomes:

- (1) recommendations to the Office of Budget and Program Planning (OBPP) for presentation of IT budget information that enables the legislature to make policy decisions relevant to IT budget requests;
- (2) development (by OBPP) of a unified computer budget summary by November 15, 2000 showing fiscal year 2000 actual and adjusted IT expenditures and budgeted amounts for each year of the 2003 biennium;
- (3) review of the unified computer budget summary and other IT-related budget information by the long-range planning joint appropriations subcommittee, or other legislative committee, as designated, composed of members of the house appropriations and senate finance and claims committees formed specifically to address statewide computer issues; and
- (4) a report of committee findings and recommendations to the Governor and the 57th Legislature.

HB 2 authorizes the LFC to review and assess Montana's governance, policy, planning, and budgeting structures and processes associated with the state's investment in IT and to recommend appropriate changes and processes that will enable the legislature to make policy decisions relevant to IT budget issues.

The subcommittee will focus on recommending a governance structure that enables making policy decisions that minimize costs, reduce duplication, and maximize efficiencies while providing the greatest possible services to Montana's citizens.

The work plan outlined below is designed to provide the IT study subcommittee of the LFC with a framework in which to meet the statutory requirements of HB 2 and to assist the committee in developing recommendations and/or proposed legislation for submission to the 57th Legislature.

## Committee Resources – Budget and Staff

The Legislative Fiscal Division has assigned two fiscal analysts, who will devote a significant portion of their time to this activity (approximately 1.5 FTE). This staff will assist the committee with fiscal and policy research and analysis, activity coordination, and miscellaneous administrative support. The subcommittee shares a \$35,000 biennial budget with other interim studies of the LFC (HJR 35 – interim study of mental health managed care) for expenditures associated with committee work. As such, the proposed budget of the IT study is \$15,000, which would be primarily used to fund an analysis by a private consultant of Montana's management of IT as it compares to private business and other states. Staff will focus on the priorities as established by the committee, however, related fiscal and policy issues of a non-priority nature may also be addressed by staff as time permits.

### Key Tasks

The following tasks have been identified as central in accomplishing the primary requirements of the HB 2 information technology management study:

- (1) define information technology and governance as it applies to the study;
- (2) review and evaluate Montana's existing statutes and governance structure for establishing statewide policy direction for information technology;
- (3) review and evaluate Montana's existing statutes and management policies for review and approval for statewide information technology planning and budgeting (includes proprietary rate development and approval);
- (4) review and evaluate other states' statutes and governance structures for establishing statewide policy direction for information technology;
- (5) review and analyze historical and current investment and trends in information technology;
- (6) identify information needs and establish a format for the OBPP to submit the statewide information technology budget information to enable the legislature to make policy decisions during the 57th Legislature;
- (7) develop a process for reviewing the information technology budget information and making policy decisions during the 57th Legislature; and
- (8) prepare draft legislation that implements subcommittee recommendations.

### Timetable

The committee's work will commence in October 1999 and conclude by September 2000. Based upon the current workplan components, it is suggested that the committee meet at least quarterly (dates to coincide with meetings of the Legislative Finance Committee) with a tentative schedule proposed as follows:

<u>Meeting</u>	<u>Tentative Date</u>	<u>Potential Agenda Items (subject to change)</u>
1	October 7, 1999 (half day)	<ul style="list-style-type: none"> <li>• Work Plan Approval</li> <li>• Proposed budget</li> <li>• Discuss use of a consultant</li> <li>• Overview of existing oversight, advisory, and strategic planning organizations</li> <li>• Overview of the actions, recommendations, and results of the HB 89 (1997 legislature) joint oversight committee on state management systems</li> <li>• Discuss governance concepts</li> <li>• Discuss committee members' perceptions of the ideal governance structure</li> </ul>
2	December 8, 1999 (one day)	<ul style="list-style-type: none"> <li>• Review and assess Montana's IT governance statutes</li> <li>• Review and assess Montana's existing policies and statutes for management review and approval for statewide IT planning and budgeting (including rate setting)</li> <li>• Identify information needs and establish format for OBPP to submit statewide IT budget information to enable the legislature to make policy decisions during the 57<sup>th</sup> Legislature.</li> <li>• Selection and briefing of consultant (potential) to evaluate Montana's management of IT relative to private business models and other states' governance structures.</li> <li>• Discuss/request statutory changes to implement subcommittee recommendations</li> </ul>
3	March 8, 2000 (one day)	<ul style="list-style-type: none"> <li>• Consultant presentation and committee questions</li> <li>• Discuss feasibility of developing IT101 training class for legislators</li> <li>• Discuss/request statutory changes to implement subcommittee recommendations</li> </ul>
4	June 7, 2000 (one day)	<ul style="list-style-type: none"> <li>• Develop recommendations for a legislative process for reviewing IT budget information and making IT policy decisions during the 57<sup>th</sup> Legislature</li> <li>• Discuss/request statutory changes to implement subcommittee recommendations</li> </ul>
5	September 20, 2000 (1/2 day)	<ul style="list-style-type: none"> <li>• Present draft report incorporating subcommittee findings and recommendations (with draft legislation) for subcommittee and LFC approval</li> </ul>

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